



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P.O. Box 339
Honolulu, Hawaii 96890-0339

July 6, 2004

MEMORANDUM

TO: All Interested Parties

FROM: Lillian B. Koller, Esq., Director

SUBJECT: **REQUEST FOR PROPOSALS (RFP) – UP-FRONT UNIVERSAL
ENGAGEMENT PROGRAM FOR TANF ELIGIBLE RECIPIENT
FAMILIES. RFP-HMS-903-04-10-O**

The Department is seeking to purchase the service listed above and further described in the attached RFP. The RFP provides information to assist applicants in the preparation of program plans and budget, including:

1. A description of the service sought;
2. Special requirements to be met by the provider;
3. The criteria by which qualifying proposals shall be reviewed/rated; and
4. The criteria for monitoring and evaluating the contract.

An Informational meeting is scheduled on O'ahu on Tuesday, July 14, 2004, from 9:00am to 11:00am at the location and office stated above. For more information, please call 586-7068. The Department's First to Work (FTW) Program staff will be present at this session to review the RFP requirements and informally address questions you may have. In order for the proposal to be considered, all applicants are required to submit:

1. One (1) original and three (3) copies of the proposal, delivered to DHS, BESSD, ECCPO, at 820 Mililani Street, Haseko Center, Suite 606, Honolulu, HI 96813.
2. Proposals must be received no later than 4:30 PM, Friday, July 30, 2004. .

Proposal and accompanying materials not requested by the department or submitted after the deadline will not be accepted for consideration.

Attachments

Request For Proposals (RFP)

Issued by:

State of Hawai'i

Department of Human Services
Benefit, Employment and Support Services Division

for a

**“Up – Front Universal Engagement Program for
TANF Eligible Recipient Families”**

RFP Number: HMS-903-04-10-O

July 6, 2004

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PROPOSAL MAIL-IN AND DELIVERY INFORMATION SHEET

**ALL MAIL-INS MUST BE POSTMARKED BY US MAIL
BEFORE 12:00 MIDNIGHT, JULY 30, 2004.**

ONE ORIGINAL AND THREE COPIES OF THE PROPOSAL ARE REQUIRED.

ALL MAIL-INS

Department of Human Services
BESSD Administration Office
Employment and Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

DHS RFP COORDINATORS

Geneva Candean
For further information or inquiries
Phone: 586-7068
Fax: 586-5744

**ALL HAND DELIVERIES (INCLUDING COURIER SERVICES) WILL BE ACCEPTED
AT THE FOLLOWING SITE UNTIL 4:30 P.M., JULY 30, 2004.**

Drop-off Site

For All Applicants:

Department of Human Services
BESSD Administration Office
Employment and Child Care Program Office
820 Mililani Street, Suite 606
Honolulu, Hawaii 96813

**BE ADVISED: ALL MAIL-INS POSTMARKED AFTER 12:00 MIDNIGHT, JULY 30,
2004, WILL NOT BE ACCEPTED FOR REVIEW AND WILL BE
RETURNED.**

**HAND DELIVERIES WILL NOT BE ACCEPTED AFTER 4:30 P.M.
JULY 30, 2004.**

Section 1

Administrative Overview

Section 1

Administrative Overview

Applicants are encouraged to read each section of the RFP thoroughly. While sections such as the administrative overview may appear similar among RFPs, state purchasing agencies may add additional information as applicable. It is the responsibility of the applicant to understand the requirements of *each* RFP.

I. Authority

This RFP is issued under the provisions of the Hawaii Revised Statutes, Chapter 103F and its administrative rules. All prospective applicants are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any prospective applicant shall constitute admission of such knowledge on the part of such prospective applicant.

II. RFP Organization

This RFP is organized into five sections:

Section 1, Administrative Overview--Provides applicants with an overview of the procurement process.

Section 2, Service Specifications--Provides applicants with a general description of the tasks to be performed, delineates applicant responsibilities, and defines deliverables (as applicable).

Section 3, POS Proposal Application Instructions--Describes the required format and content for the proposal application.

Section 4, Proposal Evaluation--Describes how proposals will be evaluated by the state purchasing agency.

Section 5, Attachments --Provides applicants with information and forms necessary to complete the application.

III. Contracting Office

The Contracting Office is responsible for overseeing the contract(s) resulting from this RFP, including system operations, fiscal agent operations, and monitoring and assessing provider performance. The Contracting Office is:

Department of Human Services, State of Hawaii
Benefit, Employment and Support Services Division (BESSD)
Employment and Child Care Office (ECCPO)
Haseko Center, 820 Mililani Street, suite 606
Honolulu, Hawaii 96813
(808) 586-7068 Fax (808) 586-5744

IV. Procurement Timetable

Activity	Scheduled Date
Public notice announcing RFP	7/04/04
Distribution of RFP	7/06/04
RFP orientation session on Oahu (9:00am – 11:00am)	7/14/04
Closing date for submission of written questions for written responses	7/16/04
State purchasing agency's response to applicants' written questions	7/20/04
Proposal submittal deadline	7/30/04
Proposal evaluation period ends	8/5/04
Provider selection and award	8/6/04
Notice of statement of findings and decisions	8/13/04
Date of contract execution	9/15/04
Contract start date	10/1/04

V. Orientation

An orientation for applicants in reference to the request for proposals will be held on Wednesday, July 14, 2004, from 9:00AM to 11:00AM, at the Department of Human Services (DHS), Benefit, Employment and Support Services Division (BESSD), Employment and Child Care Program (ECCP) office, 820 Mililani Street, Suite 606, Honolulu, Hawaii 96813. Applicants are encouraged to submit written questions prior to the orientation. Impromptu questions will be permitted and spontaneous answers provided at the orientation at the state purchasing agency's discretion. Verbal answers provided at the orientation are only intended as general direction and may not represent the state purchasing agency's position. Formal official responses will be provided in writing. To ensure a written state purchasing agency response, any oral questions should be submitted in writing following the close of the orientation, but no later than the submittal deadline for written questions, indicated in the next paragraph (VI. Submission of Questions).

VI. Submission of Questions

Applicants may submit questions to the RFP Contact Person identified in Section 2 of this RFP. The deadline for submission of written questions is 4:30PM H.S.T., on July 16, 2004. All written questions will receive a written response from the state purchasing agency. State purchasing agency responses to applicant written questions will be sent by July 20, 2004.

VII. Submission of Proposals

Proposals must contain all components. Please refer to the Competitive POS Application Checklist (Section 5, Attachment A) for information on: 1) where to obtain the forms/instructions; 2) additional program specific requirements; and 3) the order in which all components of the application should be assembled and submitted to the state purchasing agency. Proposals must contain the following components:

- (1) ***POS Proposal Application (Form SPO-H-200A), including Title Page (Form SPO-H-200) and Table of Contents*** - Applicant shall submit comprehensive narratives that addresses all of the issues contained in the POS Proposal Application Instructions, including a cost proposal/budget. (Refer to Section 3 of this RFP.)
- (2) ***Competitive POS Application Check List*** – Provides applicants with information on where to obtain the required forms; information on program specific requirements; and the order in which all components should be assembled and submitted to the state purchasing agency.
- (3) ***Registration Form (SPO-H-100A)*** – If applicant is not pre-registered with the State Procurement Office (business status), this form must be submitted with the application. If applicant is unsure as to their pre-registration status, they may check the State Procurement Office website at:
<http://www.spo.hawaii.gov>
 Click on *Procurement of Health and Human Services*
 Click on *Provider Lists...The Registered List of Private Providers for Use with the Competitive Method of Procurement*
 or call the purchasing agency at 586-7068 or the State Procurement Office at 587-4706.
- (4) ***Certifications*** - Federal and/or State certifications, as applicable.
- (5) ***Program Specific Requirements*** - Additional program specific requirements are included in Sections 2 and/or 3, Service Specifications and the POS Proposal Application, as applicable.

Multiple or alternate proposals shall **not** be accepted unless specifically provided for in Section 2 of this RFP. In the event alternate proposals are **not** accepted and an applicant submits alternate proposals but clearly indicates a primary proposal, it shall be considered for award as though it were the only proposal submitted by the applicant.

One original and three copies of the proposal are required. Proposals must be postmarked or hand delivered by the date and time designated on the Proposal Mail-In and Delivery Information Sheet attached to this RFP. Any proposal postmarked or received after the designated date and time shall be rejected. State purchasing agency shall not accept faxed proposals and/or submission of diskettes by applicants.

VIII. Discussions with Applicants Prior to, or After Proposal Submittal Deadline

Discussions may be conducted with applicants who submit proposals determined to be reasonably susceptible of being selected for award, but proposals may be accepted without discussions, in accordance with the administrative rules.

IX. Additional Materials and Documentation

Upon request from the state purchasing agency, each applicant shall submit any additional materials and documentation reasonably required by the state purchasing agency in its evaluation of the proposals.

X. RFP Amendments

The State reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals.

XI. Final Revised Proposals

The applicant's final revised proposal, *as applicable* to this RFP, must be postmarked or hand delivered by the date and time specified by the state purchasing agency. Any final revised proposal post-marked or received after the designated date and time will be rejected. If a final revised proposal is not submitted, the previous submittal will be construed as their best and final offer/proposal. *Only the section(s) of the proposal that are amended shall be submitted by the applicant, along with the POS Proposal Application Title Page (SPO-H-200).* After final revised proposals are received, final evaluations will be conducted for an award.

XII. Cancellation of Request for Proposal

The request for proposal may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

XIII. Costs for Proposal Preparation

Any costs incurred by applicants in preparing or submitting a proposal are the applicants' sole responsibility.

XIV. Provider Participation in Planning

Provider participation in a state purchasing agency's efforts to plan for or to purchase health and human services prior to the state purchasing agency's release of a request for proposals, including the sharing of information on community needs, best practices, and providers' resources, shall not disqualify providers from submitting proposals if conducted in accordance with sections 3-142-203 and 3-143-618 of the Hawaii Administrative Rules for Chapter 103F, HRS.

XV. Rejection of Proposals

The State reserves the right to consider as acceptable only those proposals submitted in accordance with all requirements set forth in this RFP and which demonstrate an understanding of the problems involved and comply with the service specifications. Any proposal offering any other set of terms and conditions contradictory to those included in this RFP may be rejected without further notice.

A proposal may be automatically rejected for any one or more of the following reasons: (Relevant sections of the Hawaii Administrative Rules for Chapter 103F, HRS are parenthesized)

- (1) Rejection for failure to cooperate or deal in good faith.
(Section 3-141-201)
- (2) Rejection for inadequate accounting system. (Section 3-141-202)
- (3) Late proposals (Section 3-143-603)
- (4) Inadequate response to request for proposals (Section 3-143-609)
- (5) Proposal not responsive (Section 3-143-610 (1))
- (6) Applicant not responsible (Section 3-143-610 (2))

XVI. Opening of Proposals

Upon receipt of proposal by a state purchasing agency at a designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-

stamped and, when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency and not examined for evaluation purposes until the submittal deadline.

Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties.

XVII. Notice of Award

A Notice of Award containing a statement of findings and decision shall be provided to all applicants by mail upon completion of the evaluation of competitive purchase of service proposals.

XVIII. Protests

Any applicant may file a protest (using a prescribed form provided by the administrator of the State Procurement Office available on the State Procurement Office Website whose address is on the Competitive POS Application Checklist located in the Attachments section of this RFP) against the awarding of the contract as long as an original and two copies of the protest is served upon the head of the state purchasing agency that conducted the protested procurement, and the procurement officer who handled the protested procurement, by United States mail, or by hand-delivery. A Notice of Protest regarding an award of contract and related matters that arise in connection with a procurement made under a competitive purchase of services shall be served within five working days of the postmark of the notice of findings and decision sent to the protester. The Notice of Protest form, SPO-H-801, is available on the SPO website (see the POS Proposal Checklist in Section 5 of this RFP). Only the following matters may be protested:

- (1) a state purchasing agency's failure to follow procedures established by Chapter 103F of the Hawaii Revised Statutes;
- (2) a state purchasing agency's failure to follow any rule established by Chapter 103F of the Hawaii Revised Statutes; and
- (3) a state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

Head of State Purchasing Agency	Procurement Officer
Lillian B. Koller, Esq.	Edwin Igarashi
Director	Procurement Officer
P.O. Box 339	P.O. Box 339
Honolulu, HI 96809-0339	Honolulu, HI 96809-0339

XIX. Availability of Funds

The award of a contract and any allowed renewal or extension thereof, is subject to allotments to be made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, Hawaii Revised Statutes, and subject to the availability of State and/or Federal funds.

XX. Criteria by Which the Performance of the Contract Will be Monitored and Evaluated

The criteria by which the performance of the contract will be monitored and evaluated are:

- (1) Performance/Outcome Measures
- (2) Output Measures
- (3) Quality of Care/Quality of Services
- (4) Financial Management
- (5) Administrative Requirements

XXI. General and Special Conditions of Contract

The general conditions that will be imposed contractually are on the SPO website (see the POS Proposal Application Checklist in Section 5 of this RFP for the address). Special conditions may also be imposed contractually by the state purchasing agency, as deemed necessary.

XXII. Cost Principles

In order to promote uniform purchasing practices among state purchasing agencies procuring health and human services under Chapter 103F, HRS, state purchasing agencies will utilize standard cost principles outlined in Form SPO-H-201 which is available on the SPO Website (see the POS Proposal Application Checklist in Section 5 of this RFP). Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

Section 2

Service Specifications

Section 2 Service Specifications

I. Introduction

A. Background

The Hawaii Department of Human Services is expanding the **“Up-Front Universal Engagement” (UFUE)** Program for Temporary Assistance for Needy Families (TANF) applicants on the island of Oahu (Leeward areas only). In each case, a PROVIDER will be asked to place applicants into meaningful full-time employment. Recipients that cannot be placed in full-time employment will be placed in work qualifying activities that add up to 32 hours per week, average per month. The TANF recipients must meet work performance requirements under Welfare Reform and progress towards self-sufficiency; pursuant to Public Law 104-193, “Personal Responsibility and Work Opportunity Reconciliation Act of 1996” (PRWORA).

Expansion of this UFUE Program is scheduled to be initiated by October 1, 2004. Details of this program will be discussed explicitly below.

This RFP is intended to describe the UFUE Program that ultimately will be a model for a diversion program. Diversion programs for TANF recipients are allowed under Administrative Rule 260.31(b)(1) provides as follows: “Assistance... excludes: Non-recurrent short-term benefits that: (i) are designed to deal with a specific crisis situation or episode of need; (ii) are not intended to meet recurrent or on-going needs; and (iii) will not extend beyond four months”.

Under this rule provision, it is believed that TANF applicant families can be extended four months of non-assistance benefits, and be provided diversion program services to assist low-income adults to obtain paid employment rather than going on TANF assistance. The UFUE Program will test many of the features of a diversion program, which will ultimately determine how such program will be implemented subsequent to the expansion project.

B. Purpose or Need

The purpose of the UFUE Program is to screen applicants for TANF assistance quickly in order to engage the applicants most likely to be able-bodied in up front work activities and approve them for assignment to the PROVIDER. Services may include, but are not limited to, screening, intake and orientation, pre-employment training, job search, community work experience, job development, job placement, providing supportive services, and monitoring and tracking the clients until they are employed and/or self-sufficient. All clients must meet work requirements under Welfare Reform and progress towards self-sufficiency;

pursuant to Public Law 104-193, “Personal Responsibility and Work Opportunity Reconciliation Act of 1996”. One Contract will be awarded under this request for proposals, pursuant to terms outlined in RFP-HMS-903-04-10-O.

C. Description of the goals of the service

The goal of this program is to serve TANF eligible recipients by having the PROVIDER expedite unsubsidized employment placement for as many clients as possible. This will be further described in Section III, scope of work.

D. Description of the target population to be served

The UFUE Program is designed to serve applicants for TANF. The TANF Program currently has 9,007 cases as of the end of April 2004. In an average month, there are 1,275 applications for TANF assistance state-wide. Of these, an average of 560 is approved monthly. This project will focus on Oahu Branch Section II and III which receives about 252 TANF applications each month of which about 101 (45 Kapolei, 25 Leeward, and 31 Wahiawa) are approved monthly.

The Department reserves the right to change the target population, after 30 days notice being afforded to the PROVIDER affected, for the duration of this Contract or Supplemental Agreement(s).

E. Geographic coverage of service

The areas to be served are specific census tracts on the island of Oahu (Leeward area) belonging to the eligibility units of Section II and III. The census tracts affected by this project are 82 to 100. The Department reserves the right to re-assign census tracts, based on service needs, after 30 days notice being afforded to the PROVIDER affected, for the duration of this Contract and Supplemental Agreement(s).

F. Probable funding amounts, source, and period of availability

This Contract is expected to be entirely federally funded and is for the State FY 2005-2006 (October 1, 2004 to September 30, 2005) for the proposed Oahu Unit. Up to \$396,813 shall be provided to cover base operating costs during this period. In order to cover potential performance incentives, a total of \$651,213 shall be made available to the PROVIDER. Performance incentives are discussed in section IV.D below. Although the maximum value of this Contract is \$651,213, the Department anticipates proposed budgets not to exceed the base operating costs or \$396,813. The Department reserves the right to reduce the amount of funds appropriated for this service and to change the funding source to state and federal or federal, after 30 days notice being afforded to the PROVIDER affected, for the duration of this Contract and Supplemental Agreement(s).

II. General Requirements

A. Specific qualifications or requirements, including but not limited to licensure or accreditation

1. The applicant shall comply with Chapter 103F, HRS Cost Principles for Purchases of Health and Human Services identified in SPO-H-201 (Effective 10/1/98), which can be found on the SPO website (See Section 5, Proposal Checklist, for the website address).
2. The applicant must provide reasonable accommodations to assure capacity to deliver services to those clients with limited English proficiency or physical limitations.
3. The applicant must assure and be responsible for the continuity of service activities in the event of staff illness, medical emergencies, vacancies, or other situations that result in program resources that are less than proposed and contracted for. The PROVIDER must not require nor depend on the state agency's staff to provide service activities in the event that program resources are not available due to the above situations.
4. The applicant must use credible and tested measurement tools to evaluate program effectiveness in achieving outcomes.
5. When a disagreement arises between the PROVIDER and the State in regards to the performance of specific service activities within contracted specifications, the wishes of the State shall prevail. Failure on the part of the PROVIDER to comply shall be deemed cause for corrective action and subject to contractual remedies.

B. Secondary purchaser participation (Refer to §3-143-608, HAR)

There are no planned secondary purchasers.

C. Multiple or alternate proposals (Refer to §3-143-605, H.A.R.)

Multiple or alternate proposals are not allowed.

D. Single or multiple Contracts to be awarded (Refer to §3-143-206, H.A.R.)

One (1) Contract shall be awarded in accordance with this RFP.

E. Single or multi-term Contracts to be awarded
(Refer to §3-149-302, H.A.R.)

A single-term Contract for a twelve (12) month period, with the option of three (3) twelve-month extensions subject to the availability of funds and satisfactory PROVIDER performance.

F. RFP contact person

The individual listed below is the sole point of contact from the date of release of this RFP until the selection of the winning PROVIDER or PROVIDERS. Written questions should be submitted to the RFP contact person and received on or before the day and time specified in Section I, Item IV (Procurement Timetable) of this RFP.

Geneva Candean, Program Specialist (586-7068).

III. Scope of Work

The scope of work encompasses the following tasks and responsibilities:

A. Time of Performance and Service Activity Requirements

The first phase of the expansion project will be one year in length. During this period, there will be a 12 month phase which will test the UFUE Program in the Oahu Leeward area. In this phase, about 960 clients will be processed. Beginning with the fifth month and continuing through the twelfth month, clients will exit the program as they complete their 4 months of participation.

1. To provide unsubsidized employment placement and case management services at a rate of 70 clients per worker, until the unit caseload of 320 clients is achieved. Case management includes, but is not limited to, placement of the client into approved activities, provision of support services if needed, and provision of general advice and emotional support to the client as he or she seeks employment.
2. During the first two months of the UFUE Program, to exit an estimated 16 clients due to full-time employment. It is proposed that the PROVIDER place half this number as an expected part of the Contract.
3. During the second two months of the UFUE Program, to exit an estimated 16 clients due to full-time employment. It is proposed that the PROVIDER place half this number as an expected part of this Contract.
4. By the 3rd month of the UFUE Program place an estimated 50% of the unit's caseload in unsubsidized employment.

5. By the end of the 4th month of the UFUE Program, it is estimated that 50% of the clients transferred to the Department's First-to-Work Program will have 32 hours per week of countable work activities. Also, it is estimated that an additional 16 clients will obtain full-time employment and exit the UFUE Program.

B. Scope of Services (minimum and/or maximum tasks and responsibilities)

The PROVIDER is being requested to provide services to the clients as described in the following flow model. This flow model is an UFUE Program and will be demonstrated on the island of Oahu, Leeward area. The flow model will describe each stage of the flow and the expected process to be followed.

Step1: Applications for Assistance

The first step in the flow model will be for all Oahu Branch Section II and III applicants to contact the Department to apply for TANF assistance. Applicants from the Section II and III service area will be referred to the UFUE expansion project for screening. It is estimated that in a given month, there will be about 252 applicants within Oahu Branch, Section II and III for TANF Assistance. These are applicants for TANF, each of whom will need to be screened.

Step2: Applicants Screened

The screener, at the UFUE Unit, will review all applications for assistance from the service area. Each applicant will be requested to declare their eligibility for employment. The screening method to be used involves an eligibility worker reviewing each application with regard to income, asset, and household composition as appropriate for TANF eligibility. Each review will result in one of the following outcomes: (1) applicant self-declared exempt due to disability; (2) applicant denied; (3) applicant employed 32 hours per week and no referral necessary; (4) applicant is pregnant and will deliver within 3 months; and (5) applicant presumed to be eligible and able-bodied. All applicants except for number 5 above will be referred out of the UFUE Unit. Categories 1, 3, and 4 will be referred to regular income maintenance units for processing. It is estimated that there will be 101 applicants eligible for TANF (out of 252 applications for TANF assistance). The Department may add additional groups of clients to be referred to the UFUE Unit.

Step 2a: Applicant Self-Declared Exempt Due to Disability

The applicant will be scheduled for a regular, non-expedited, eligibility determination and processed through normal channels. It is estimated that 8% or 8 applicants will declare exemptions due to disability each month.

Step 2b: Applicant Denied TANF:

The applicant, if determined to be ineligible for TANF, will be considered for other programs, but the applicant will not be referred to the UFUE Program. It is assumed that about 60% or 152 applicants will be denied assistance for TANF each month. (Recent statistics for Section I on Oahu showed a denial rate of 60-65 %.)

Step 2c: Applicant Employed 32 Hours per Week

The applicant will be scheduled for a regular, non-expedited, eligibility determination and processed through normal channels. There should be very few of these cases and they will be referred to First-to-Work. These cases will not be processed to the UFUE Contractor.

Step 2d: Applicant Is Pregnant and Due to Deliver within Three Months

Applicants that have reached their sixth month of pregnancy often have a difficult time obtaining employment. Therefore, applicants at or beyond their sixth month of pregnancy will be processed for a regular, non-expedited, eligibility determination.

Step 2e: Applicant Presumed to be Proper Referrals:

All applicants presumed to be proper referrals will be retained by the UFUE Unit for a presumptive eligibility review. It is estimated that 80 applicants will be presumed to be proper referrals each month. The Eligibility Worker at the UFUE Unit will schedule these clients to appear for presumptive eligibility determination and assignment to the PROVIDER.

Step 3: UFUE Program Orientation

As noted above, an estimated 80 applicants will be referred for the UFUE Program Orientation each month. The applicant must report to the UFUE Program within 3 working days from the completion of application screening, as scheduled by appointment. Applicants who do not show up at their appointment will be provided one additional opportunity to attend orientation within the 30 day application period. All applicant referrals will be required to attend this orientation session with the UFUE PROVIDER before they can be interviewed for presumptive eligibility.

Step 3a: Presumptive Eligibility Determination

All applicants presumed to be proper, able-bodied referrals, and who have attended the Work Orientation session, are processed for a presumptive eligibility determination. The Eligibility Workers that will perform this task will be co-

located with the UFUE PROVIDER. These Eligibility workers will review and approve applications, as well as handle a caseload of ongoing cases. Presumptive applications will be completed within 1 working day.

These applicants will be simultaneously referred for assignment to the UFUE Program. Applicants will be expected to begin a search for employment while finishing up the application process.

Applicants presumed to be eligible for TANF will receive a presumptive eligibility notice until the completion of eligibility verification, as described in Step 4 below. The recipients will be considered to be in good standing as long as they complete reporting requirements for both the Financial Assistance and the Work Programs.

Step 4: Presumptive Eligibility Verification

The applicant will be required to submit all verification information within 10 working days of the presumptive eligibility interview. Applicants failing to comply with verification requirements will be sent a case closure notice, and given 10 calendar days to appeal. Also, applicants whose verification information does not support eligibility will be found ineligible. It is assumed that 80 applicants will be presumed eligible during each month.

Step 5: Up-Front Universal Engagement Referral

Once the Orientation Session and the Presumptive Eligibility Interview have been completed, the applicant then reports to the UFUE Program to begin an effort to become self-sufficient.

The principle behind this expansion project is to engage the applicant in up-front work activities. Applicants will be evaluated to determine which work activities should be accessed. Persons with developed work skills will be expected to re-enter the labor market right away. Persons with some work skill may need guidance and encouragement to put them on the right track. Still others will have low skills and ultimately will require some type of short term training to get them on their way.

During the first two months of assignment, after undergoing intake and orientation, applicants will be triaged to determine if they should be asked to job search full-time to seek unsubsidized employment; be placed in a community work experience slot to prepare for paid employment; or receive some form of training or other assistance to make them job-ready. While participating in this stage, most clients will be expected to be actively engaged for 32 hours per week for the first two months. The remaining clients may be scheduled for job club or other training to get the applicant focused on obtaining employment. This service

provides support and reinforcement to the applicant who is job seeking and interviewing.

Failure to complete job search requirements, or any program requirement during the diversion time frame, will result in the client being subject to the conciliation process.

There are four outcomes that could occur during this stage: (1) applicants do not report to the UFUE Program; (2) applicants report to the UFUE Program and do not complete their program requirements; (3) applicants report to the UFUE Program, complete program requirements and are notified of their eligibility for assistance; and (4) applicants obtain full-time employment and exit the program.

Step 5a: Applicant Does Not Report to the UFUE Program

Applicants that do not report to the UFUE Program will be sent a closure notice and have 10 calendar days to appeal. There is no estimate of how many applicants will not appear as all are expected to appear.

Step 5b: Applicant Reports to the UFUE Program and Does Not Complete Program Requirements

Applicants that report to the UFUE Program, but do not complete program requirements will be subject to the conciliation process.

Step 5c: Applicant Reports to the UFUE Program, Completes Program Requirements and Is Notified of Eligibility

Applicants that report to the UFUE Program, complete program requirements, and are notified of eligibility for assistance will continue to seek employment under the program. This number is estimated to be 80 per month.

Step 5d: Applicant Obtains Full-time Employment and Exits the Program

Applicants that find full-time employment will exit the financial assistance program. It is estimated that 16 applicants (10 percent per month = 8 x 2 months) will obtain employment and exit the program by the end of the second month of UFUE.

Step 6: Continue in UFUE Program

All participants, by this time, will have received eligibility approval. During the second two-month period, participants will be asked to continue working full-time or to engage in job search and community work experience (CWEP) for a total of 32 hours per week if they are still unemployed. It is estimated that there

will be 144 ($80 \times 2 = 160 - 16$ exits due to employment) participants that reach this stage.

During this stage, there are three outcomes expected: (1) participant obtains full-time employment and exits the program; (2) participant is engaged in job search and CWEP for 32 hours per week; or (3) participant is engaged in job search and CWEP for less than 32 hours per week.

Step 6a: Participant Obtains Full-time Employment and Exits the Program

Applicants that find full-time employment will exit the program. It is estimated that an additional 16 participants will obtain employment and exit the program by the end of the fourth month of UFUE.

Step 6b: Participant Engaged in Job Search and CWEP for 32 Hours per Week

Participants engage in job search and CWEP for 32 hours a week as required by the program. This group will describe a portion of the 288 estimated participants remaining by the end of the fourth month of UFUE.

Step 6c: Participant Engaged in Job Search and CWEP for Less than 32 Hours per Week

Participants engage in job search and CWEP for less than the 32 hours a week required by the program. All participants in this category will have good cause reasons as to why they cannot meet full program participation requirements. This group will describe a portion of the 288 (72 clients x 4 months) estimated participants remaining by the end of the fourth month of UFUE.

Step 7: Referral to First-to-Work

At the beginning of the fifth month, all remaining participants will have completed the four month UFUE Program and not obtained full-time employment to allow them to exit the UFUE Program. It is estimated that there will be 288 (72 clients x 4 months) participants that will begin First-to-Work participation.

Step 8: Case Transferred to First-to-Work and a Regular Income Maintenance Unit

All participants (288) will be referred directly to a First-to-Work unit to assist the participant to gain unsubsidized employment that can lead to self-sufficiency. The participant's case will also be transferred to a regular Income Maintenance Unit for on-going assistance.

C. Administrative Duties

1. The PROVIDER shall oversee the services provided to the Department's clients as described below. The PROVIDER is responsible for the supervision of case management and other staff.
2. The PROVIDER shall be the point of contact for the other PROVIDERS or Department staff who may also be assisting the client in achieving objectives that are part of the client's service plan.

D. PROVIDER Training

1. Contracted staff shall comply with all appropriate federal and state laws, rules and regulations, and policies and procedures governing the State run programs involved, including but not limited to TANF, First-to-Work, Child Care Connection, and Child Support Enforcement. The Department shall provide training on all relevant policies and procedures, including the Hawaii Automated Network Assistance (HANA) System.

E. PROVIDER'S Responsibility Regarding Confidential Information

1. The PROVIDER shall keep records to document information acquired about the recipients or given or made available by the recipients served under this Agreement. All such information shall be considered confidential and shall not be disclosed by the PROVIDER except as otherwise allowed by Hawai'i Revised Statute §346-10, and Hawai'i Administrative Rules §17-601, and only after prior written notification to DHS.
2. The PROVIDER shall insure the security and confidentiality of any and all data and/or information maintained on State electronic data processing equipment including but not limited to Hawaii Automated Welfare Information (HAWI), HANA, and Child Protective Service System (CPSS).

IV. Other Requirements

- A. Reporting:** Use the Hawaii Automated Network Assistance (HANA) terminal(s) available at a designated location to enter client data and payment information. Monthly reports shall be prepared and submitted to the Employment and Child Care Program Office (ECCPO). While manual reports may be submitted, the computer entries shall be the official report. Therefore, all data must be entered in a timely manner and the contractor will not receive any credit for client performance if these entries are not entered. At the Department's discretion, manual audits of case records may be performed to validate computer reports. In the event of discrepancies, the Department shall make the final determination of

which data system (computer or audit-based, or a combination thereof) will be used to determine performance compliance. *Please take note that the "General Conditions" section of all Health and Human Services Contracts (section 1.6) requires a "Final Report" to the State of Hawaii pertinent to the Compensation and Payment Schedule of the finalized Contract.*

- B. Invoicing:** A monthly invoice shall be prepared and submitted to the ECCPO by the 10th of each month in accordance with the agreed upon Compensation and Payment Schedule.
- C. Definition of Work:** Work-mandatory TANF adults served will be expected to participate 32 hours per week in federally defined work activities. The definition of work is provided under Public Law 104-193, section 407 (d) "Work Activities Defined." For the purposes of the UFUE Program, these activities are:
1. Unsubsidized Employment;
 2. Subsidized Private Sector Employment;
 3. Subsidized Public Sector Employment;
 4. Work Experience
 5. On-the-Job Training;
 6. Job Search and Job Readiness Assistance (not to exceed 240 hours);
 7. Short Term Vocational Training (not to exceed 30 days in duration)

For Unsubsidized Employment only, the PROVIDER shall strive to place clients in 40 hours per week jobs. The PROVIDER should be aware that the Department will not provide structured Job Readiness training. Therefore, proposals should include a specific provision to directly provide the service.

Also, please note that the Department may change the 32 hour per week work requirement to the federal minimum required under the impending federal legislation.

- D. Performance Incentives:** There is proposed to be performance incentives for this Agreement. Performance incentives are proposed for each of the following outcomes: (1) \$400 per client that obtains full-time employment and exits the program within the first two months of the UFUE Program and retains employment for a 90 day period; (2) \$300 for each client that receives employment and exits the UFUE Program during months 3 and 4 and retains employment for a 90 day period; (3) \$150 per client for each unsubsidized employment placement for 24 or more hours per week that lasts at least 6 weeks; and (4) \$100 per client transferred to the First-to-Work Program at the end of the fourth month that is performing 32 hours per week in countable hours.

One final incentive for this Contract would relate to employers who hire clients for 20 or more hours per week for six or more consecutive weeks. This incentive

would amount to a \$100 incentive bonus per client for each bonus period (i.e., 6-week initial increment, 4-week subsequent increments).

There is also a proposed penalty for this Contract. The penalty would be a \$100 per client for those clients transferred to the First-to-Work Program with less than 32 hours per week of countable activities.

E. Cost of Proposed Incentives: The cost for the proposed incentives is as follows:

Full-Time Employment and Exit Within First Two Months

It is estimated that 16 clients will exit the UFUE Program due to full-time employment within the first two months of the UFUE Program. In order to be considered a full-time employment exit, the client must remain off TANF for a minimum of 90 days. It is proposed that the PROVIDER place half this number (8) as an expected part of the Contract. At a proposed bonus cost of \$400 per client, the estimated cost for the expected performance of the 8 clients above is \$3,200.

Full-Time Employment and Exit Within Second Two Months

It is estimated that 16 clients will exit the UFUE Program due to full-time employment within the second two months of the UFUE Program. In order to be considered a full-time employment exit, the client must remain off TANF for a minimum of 90 days. It is proposed that 8 of these clients represent expected performance and that 8 be subject to bonus. At a proposed bonus cost of \$300 per client, the estimated cost is \$2,400.

Unsubsidized Employment Placement for 24 or More Hours per Week

It is estimated that 50% of the caseload in the UFUE Program will be placed in unsubsidized employment by the third month. In order to count under this bonus section, unsubsidized employment must be sustained for a minimum of six consecutive weeks. Subsequent four-week periods of employment will also generate a bonus for the PROVIDER. It is proposed that 25% of the population shall have this expected performance and the other 25% be subject to bonus. Estimated cost is based on 25% of the population in months three and four achieving this placement. Estimated cost of the bonus is 72 clients at \$150 per qualifying employment period (2), or \$21,600.

Clients Transferring to First-to-Work With 32 Hours Per Week of Countable Hours

It is estimated that 50% of the clients transferred to the First-to-Work Program will have 32 hours of countable activities at the end of the fourth month. The estimated population at the end of the fourth month is 288 clients. Therefore,

50% of this population is 144. The estimated cost of this bonus is \$14,400 (i.e. \$100 each).

Employer Bonus for Hiring a client for more than Six Consecutive Weeks in Unsubsidized Employment

It is estimated that 144 clients will be placed for 20 or more hours per week for more than six consecutive weeks. It is further estimated that employers will qualify, on the average, for 2 bonus periods at a total cost to the program of \$200 per client. Total estimated cost of this employer bonus is \$56,600. This amount shall be paid by the PROVIDER directly to the employer. There will be no further bonuses to the employer once the client exits the UFUE Program or TANF due to excess income from employment.

Penalty for Transferring a Client to First-to-Work at Less Than 32 Hours of Countable Activities

It is estimated that 50% of the clients remaining at the end of the fourth month will be transferred with less than 32 hours per week of countable activities. The estimated population at the end of the fourth month is 288 clients. Therefore, 50% of this population is 144. The estimated cost of this penalty to the PROVIDER is \$14,400 (i.e. \$100 each).

Total Estimated Cost of Performance Incentives

The total estimated cost of performance incentives for this UFUE Program is as follows:

• Unsubsidized Employment First Two Months	\$ 3,200
• Unsubsidized Employment Second Two Months	\$ 2,400
• Unsubsidized Employment for 24 hours, 6 weeks or More	\$21,600
• Clients Transferred to First-to-Work with 32 Hours	\$14,400
• Employer Bonus for Hiring 20+ Hours for 6 or More Consecutive Weeks	\$57,600
• Clients Transferred to First-to-Work without 32 Hours	<u>(\$14,400)</u>
Total	\$84,800

To annualize these costs, the estimates are multiplied by 3. Thus, total bonuses could be \$254,400 or \$84,800 per cycle. Please note that of the possible \$254,400 in total bonuses awarded, up to \$57,600 (\$28,800 x 2 cycles) of this amount shall be awarded to *employers* who meet the criteria in hiring clients for more than six consecutive weeks as explained above. Therefore, the total maximum amount of potential bonuses available to the PROVIDER shall be \$196,800 (\$254,400 - \$57,600).

- F. Division Procedures:** The PROVIDER shall follow Procedures established by the Division regarding the (1) support services for child care, transportation, and work related expenses, (2) transitional child care, (3) case closures, (4) monitoring and tracking of participation, (5) reporting of all data related to clients and client participation, conciliation and sanction. Additionally, the PROVIDER shall (6) prepare an official Branch Report in the event of an Administrative Hearing request by a client, (7) get DHS approval prior to purchasing inventory with contract funds in the amount of \$50 or more, and (8) submit telecom requests to install or de-install any server, computers and printer related equipment and other peripherals.
- G. Hours of Operation:** Normal hours of operation shall be 7:45 a.m. to 4:30 p.m., excluding State of Hawaii Holidays.
- H. Management Requirements**

1. Proposed Site for Contractor Placement and Implementation Timing

The proposed central site for the PROVIDER will be located at the Kapolei Civic center, 601 Kamokila Boulevard, Room 462B, Kapolei, Hawaii 96707. A satellite location will be at Wahiawa Income Maintenance Unit at 929 Center Street, Wahiawa, Hawaii 96786. The Department is proposing that services begin by October 1, 2004.

The Department may require the PROVIDER to assign staff to additional satellite locations of Waianae and Waipahu, after 30 days notice being afforded to the PROVIDER affected, for the duration of this Contract and Supplemental Agreement(s).

2. Personnel

The PROVIDER shall provide and maintain, as a minimum, the following staff at the central UFUE unit at Kapolei location: One (1) unit supervisor, one (1) clerical staff, and three (3) UFUE workers or case managers.

The PROVIDER shall maintain, as a minimum, the following staff at the satellite location at Wahiawa IM Unit: one (1) clerical staff, and two (2) UFUE workers or case managers. The unit supervisor of the central location will also be responsible for the oversight of the satellite location. Both locations will provide full array of UFUE services.

In addition to PROVIDER staff, it is proposed that Eligibility Workers be co-located with the UFUE unit. This staffing pattern will accommodate both application processing and on-going case management of the UFUE caseload.

I. Administrative

1. RFP Purpose

UFUE Program for TANF Eligible Recipient Families.

2. RFP Responsibility

The Department will conduct the RFP process and contract with awardee. The Contract will go into effect on October 1, 2004 and will run through September 30, 2005. At the discretion of the Department, the Contract may be extended for three additional 12-month periods at the same contract price.

- 3. Issuing Office:** Department of Human Services
Benefit, Employment & Support Services Division
Employment and Child Care Program Office
Haseko Center, 820 Mililani Street, Suite 606
Honolulu, HI 96813
Phone: (808)586-5735.

- 4. Deadline:** Completed proposals [original and three (3) copies] shall be submitted no later than the close of business on Friday, July 30 2004, to the issuing office at the above address, or postmarked (by the US Postal Service) no later than Friday, July 30, 2004, to the same office.

- 5. Contact Person(s):** Geneva Candeanu, Phone 586-7068

6. Orientation for Requests for Proposals

The orientation for Request for Proposals will be held on Tuesday, July 7, 2004, 9:00 a.m. to 11:00 a.m. at the Haseko Center, 820 Mililani Street, Suite 606, Honolulu, HI 96813. Interested offerors are requested to send no more than two (2) representatives.

7. Inquiries

Applicants are encouraged to submit written questions to the issuing office before the date listed in the Procurement Timetable. Applicants will have the opportunity at the orientation to ask questions to clarify any uncertainties that exist. The Department will prepare written responses to written questions and distribute copies to all applicants, as soon as feasible after the orientation. Since impromptu questions will be permitted at the orientation and spontaneous answers provided, applicants should clearly

understand that the only official answer or position of the Department will be the one stated in writing.

8. Intention to Propose

Any person, firm or corporation that intends to bid must submit, along with the Proposal, a current statement or certificate from the Director of Taxation to the effect that all delinquent taxes levied or accrued under State statutes against said person, firm or corporation have been paid, and any other evidence requested by and acceptable to the contracting officer to demonstrate that the prospective bidder is not in default of any obligations due to the State or any of its political subdivisions. Any person, firm or corporation shall also submit all supporting documentation as specified in the RFP. Documentation shall be submitted no later than the deadline specified in the Procurement Timetable for submitting proposals.

9. Application Costs

The Department will not pay for any costs incurred by applicants prior to the effective date of a Contract. All costs incurred in the preparation of a proposal in response to the Department's RFP (including travel expenses to attend any informational sessions, applicant's conference or negotiation sessions, if held) are the sole responsibility of the applicant.

10. Proposal Preparation

Only Hard Copy Proposals shall be accepted. Proposals should be without elaborate art work, binding, printing, or materials not essential to its utility and clarity. Graphs, charts and matrixes are acceptable, but should also be backed-up by a clearly written narrative. We require an original and three (3) sets of each proposal to the Department. Review Section 3, Proposal Content and Instructions. To ensure completeness of the proposal, please refer to Attachment B, Listing of Supporting Documents to be submitted. At the discretion of the Department, minor procedural error may be waived. All contractors are advised to document all aspects of their proposal. Failure to do so may result in a lower score. All proposals will be reviewed on the basis of what is submitted. Any understanding to the contrary must be supported by written acknowledgement from the Department.

11. Criteria for Proposal Acceptance for Review and Competitive Rating

Each proposal shall be submitted in the format prescribed and all portions addressed. In order to be in compliance with Act 314, SLH 1996, and to be considered by the Department, all proposals must include a valid State

(or current application for tax clearance) and IRS Tax Clearance Certificate.

12. Disposition of Proposals

All proposals become the property of the State of Hawaii. The successful proposal will be incorporated into the resulting Contract by reference. Material breaches of Contract may result in termination of the Contract.

13. Execution of Contract

The successful applicant will be required to enter into a formal written Contract with the Department in accordance with the laws, rules and regulations of the State of Hawaii.

The stated requirements appearing elsewhere in this RFP shall become part of the terms and conditions of the resulting Contract. Any deviations therefrom must be specifically defined by the applicant in its proposal which, if successful, will become part of the Contract.

The funds available for this project are limited. The Department reserves the rights to contract for only those services which appear to be in the best interests of the State.

The Department reserves the right to cancel the Contract without cause and to request new proposals for the work. Upon award of the work, the Department will forward the formal Contract to the successful offeror for execution. The Contract shall be signed by the successful offeror and returned, together with required insurance documents (including indemnification), and other supporting documents, within ten (10) calendar days after receipt by the offeror, or within such further time as the Director may allow.

No such Contract shall be binding upon the Department until the Contract has been fully and properly executed by all the parties thereto and the State Comptroller has, in accordance with Section 103-39, Hawaii Revised Statutes, endorsed thereon his certificate that there is an appropriation or balance of an appropriation over and above all outstanding contracts, sufficient to cover the amount required by the Contract during the fiscal year. Further, the Contract shall not be considered to be fully executed until the Department of the Attorney General of the State of Hawaii has approved the Contract as to form.

No Supplementary Agreement shall be binding upon the Department until the Agreement has been fully and properly executed by all parties thereto

prior to the start date of Agreement. The PROVIDER shall not provide any services until the Agreement is fully and properly executed.

Any work performed by the successful offeror prior to receipt of a Notice to Proceed shall be at the offeror's own risk and expense. The State of Hawaii and the Department are not and will not be liable for any work, contract costs, expenses, loss of profits or damages whatsoever incurred by the successful offeror prior to the receipt of a Notice to Proceed.

The Special Conditions, including but not limited to the following, shall be incorporated in the Agreement:

1. Purchase of Equipment, Furniture, Supplies and Telecom Request

- a. The PROVIDER shall get prior approval for the initial purchase of equipment, furniture, supplies, etc. which are required for this Contract. Subsequent purchases exceeding \$50 shall require prior approval.
- b. The PROVIDER shall transfer possession of equipment, furniture and supplies purchased by the Department upon termination of the Contract.
- c. The PROVIDER shall submit a telecom request to install or de-install any server, computers and printer related equipment, and telecommunication.

2. Liability Insurance

Notwithstanding the "General Conditions" for all 103F-procured contracts where section 1.4 addresses the liability insurance in a combined amount of at least ONE MILLION AND NO/100 DOLLARS (\$1,000,000.00), the Department of Human Services requires that the PROVIDER obtain, maintain, and keep in force, throughout the period of this Agreement, liability insurance (the "Liability Insurance") issued by an insurance company in a combined amount of at least TWO MILLION AND NO/100 DOLLARS (\$2,000,000.00), or such lesser amount requested in writing by the PROVIDER, and, for good cause shown, approved by the head of the purchasing agency, which approval, if any, is incorporated herein by reference, for bodily injury and property damage liability arising out of each occurrence. The PROVIDER'S Liability Insurance shall indicate that the State of Hawaii is an additional insured with respect to its policy provisions and, therefore, cover any liability arising out of or resulting from occurrences connected with the PROVIDER'S performance under

the Agreement. Prior to, or upon execution of the Agreement, the PROVIDER shall obtain a certificate of insurance verifying the existence of the necessary liability insurance coverage in the amount stated above. If the scheduled expiration date of the liability insurance policy is earlier than the expiration date of the time of performance under the Agreement, the PROVIDER, upon renewal of the policy, shall promptly cause to be provided to the State of Hawaii an updated certificate of insurance. The certificates of insurance shall expressly provide that the insurance policy shall not be cancelled unless the insurance company has first given to the State of Hawaii thirty (30) calendar days' written notice of the intended cancellation.

3. Use and Occupancy of State Owned or Leased Building or Space.

For the duration of this Agreement unless notified otherwise, PROVIDER shall provide the services described in the SCOPE OF SERVICES from a location designated 601 Kamokila Boulevard, Room 462B, Kapolei, Hawaii 96707, and Wahiawa Income Maintenance Unit at 929 Center Street, Wahiawa, Hawaii 96786, (hereinafter referred to as "Location") subject to the following conditions:

- a. The Department shall have the exclusive right to designate the area at the location to be set aside for the PROVIDER. The Department may in its sole discretion and at any time increase or decrease the area or relocate the PROVIDER to a different area or location other than described above.
- b. The PROVIDER'S right to use the designated area is primary but not exclusive.
- c. The PROVIDER shall comply with all general rules and regulations concerning the use and occupancy of the Building notwithstanding any provisions in the Agreement to the contrary. These general rules include, for example, use of common areas, hours of operations, State holidays, security measures, and all pertinent fire and building codes.
- d. The Department may notify the PROVIDER in writing of its intent to withdraw the area. The PROVIDER must vacate the area within 30 business days following the receipt of the notice. The Department may withdraw the area for any reason, at any time during the duration of the AGREEMENT, and for the Department's sole convenience.

- e. At this time, the Department is not providing any parking stalls for the PROVIDER. Should parking space become available, the Department may offer PROVIDER the use of available parking spaces. Any stalls that become available and are used by the PROVIDER are unreserved, and PROVIDER shall pay to the Department of Accounting and General Services, Automotive Management Division, State of Hawaii, \$10 more per stall per month than the prevailing rate for State employee parking. Parking shall be made available for the PROVIDER'S clients on the same basis as parking is made available to the general public.
- f. Charges and other Cost: The Department shall not charge the PROVIDER for the use of the designated portion at the locations described above. The following categories of expenses are allocated as follows:
 - i. Utilities. The Department is responsible for expenses for normal utility usage during the business hours.
 - ii. Telephones. The PROVIDER is responsible for payments of all phone charges. PROVIDER is responsible for removing phones, if requested by the Department, when PROVIDER vacates the area.
 - iii. Custodial. PROVIDER shall reimburse the Department for its pro-rata share of interior janitorial services as determined by the Department.
- g. Without limiting the PROVIDER'S obligations under paragraph 7 of the General Conditions, entitled Indemnification and Defense, the PROVIDER hereby specifically agrees to indemnify the Department against any claim and to reimburse the Department for any damage or property loss caused by the PROVIDER or its clients as a result of operating from the designated area.
- h. The PROVIDER assumes full responsibility for all personal property of the PROVIDER, its employees, or clients of the PROVIDER brought onto the designated area, and the Department shall not be liable for any damage done to or loss of such personal property caused by any co-tenant, visitor, or occupant of the locations described above.

- i. The Department shall not be liable or responsible for any loss suffered or damage to the PROVIDER'S business or for any personal injury suffered by the PROVIDER'S employee or PROVIDER'S clients caused by any co-tenant, visitor, or occupant of locations described above.

J. Quality Assurance and Evaluation Specifications

The Contract shall be evaluated based upon performance as described in section III listed above. The Contract will also be reviewed for overall cost effectiveness, based upon the overall cost compared to the performance outcome.

K. Output and Performance/Outcome Measurements

The performance of the PROVIDER shall be measured by the specifications described in section IV.

L. Reporting Requirements for Program and Fiscal Data

The PROVIDER shall report data at a computer terminal to be designated for the PROVIDER. All data shall be entered in a timely manner, as the computer entries shall be used as the official data in the Contract evaluation. Hand written reports will not be accepted as officially reported data, though certain manual reports may be requested of the PROVIDER by the Department. *However, please note* that all computer entries shall be backed by documentary evidence. All this necessary documentation/evidence shall be filed in the physical case record file for each client.

M. Pricing or Pricing Methodology to be used

This is a cost reimbursement Contract with additional performance-based bonuses. The cost reimbursement pricing structure reflects a Purchase of Services Agreement in which the State agency pays the PROVIDER for actual base operating costs incurred in delivering the services specified in the Contract, up to a stated maximum obligation of \$396,813 for the duration of the Agreement. **However, please note that 10% or \$39,681 of the total obligation of \$396,813 will be withheld pending the verification of PROVIDER'S performance in accordance with section III, items A and B, above.**

PROVIDER is limited to 20% in indirect expenses. For-profit corporations will not be allowed to charge any fixed fee or profit as part of their budget or expenditure plan. Any profit or additional fees must be attained through the bonus structure described in section IV, items D and E, above.

PROVIDER will be able to earn performance bonuses in all possible categories if qualified, in accordance with the terms and conditions set-forth in section IV,

items D and E, above, and subject to verification of performance. These bonuses shall be paid in addition to the actual base operating costs.

There is no provision for leasing of rental space, purchase of furniture, servers, personal computers and accessories, printers, copiers, telecommunication equipment, and other office equipment, as these items will be provided by the Department at the designated location. Also, the PROVIDER will be charged prorated amounts for the usage of telephone lines, office supplies, etc., and an estimate of these expenses must be included in the proposed budget.

See RFP Section 3, Item V for details regarding Pricing Methodology.

Section 3

POS Proposal Application

Section 3

POS Proposal Application Instructions

General instructions for completing applications:

- *POS Proposal Applications shall be submitted to the state purchasing agency using the prescribed format outlined in this section.*
- *The numerical outline for the application, the titles/subtitles, and the applicant organization and RFP identification information on the top right hand corner of each page should be retained. The instructions for each section however may be omitted.*
- *Page numbering of the POS Proposal Application should be consecutive, beginning with page one and continuing through the complete proposal.*
- *Proposals may be submitted in a three ring binder (Optional).*
- *Tabbing of sections (Recommended).*
- *Applicants must also include a Table of Contents with the POS Proposal Application. A sample format is reflected in Section 5, Attachment B of this RFP.*
- *A written response is required for **each** item unless indicated otherwise. Failure to answer any of the items will impact upon an applicant's score.*
- *Applicants are encouraged to take Section 4, Proposal Evaluation, into consideration when completing the proposal.*
- *This form (SPO-H-200A) is available on the SPO Website (for the website address see the Competitive POS Application Checklist in Section 5, Attachments). However, the form will not include items specific to each RFP. If using the website form, the applicant must include all items listed in this section.*

The POS Proposal Application comprises the following sections:

- *Title Page*
- *Table of Contents*
- *Background and Summary*
- *Experience and Capability*
- *Personnel: Project Organization and Staffing*
- *Service Delivery*
- *Financial*
- *Other*

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the proposal in such a way as to provide the State with a broad understanding of the entire proposal. Include a brief description of the applicants' organization, the goals and objectives related to the service activity, and how the proposed service is designed to meet the problem/need identified in the service specifications.

II. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the delivery of the proposed services. The applicant shall also provide a listing of verifiable experience with projects or contracts for the most recent five years that are pertinent to the proposed services.

B. Quality Assurance and Evaluation

The applicant shall describe its quality assurance and evaluation plans for the proposed services, including methodology.

C. Coordination of Services

The applicant shall demonstrate the capability to coordinate services with other agencies and resources in the community.

D. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the proposed services. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable, and special equipment that may be required for the services. Proposals which indicate the existence of facilities already in place may be given higher scores.

III. Personnel: Project Organization and Staffing

A. Proposed Staffing

The applicant shall describe the proposed staffing pattern, client/staff ratio and proposed caseload capacity appropriate for the viability of the services. (Refer to the personnel requirements in the Service Specifications, as applicable.)

B. Staff Qualifications

The applicant shall provide the minimum qualifications (including experience) for staff assigned to the program. (Refer to the qualifications in the Service Specifications, as applicable)

C. Supervision and Training

The applicant shall describe its ability to supervise, train and provide administrative direction relative to the delivery of the proposed services.

D. Organization Chart

The applicant shall reflect the position of each staff and line of responsibility/supervision. (Include position title, name and full time equivalency) Both the “Organization-wide” and “Program” organization charts shall be attached to the POS Proposal Application.

IV. Service Delivery

The Service Delivery Section shall include a detailed discussion of the applicant’s approach to applicable service activities and management requirements from Section 2, Item III. - Scope of Work, including (if indicated) a work plan of all service activities and tasks to be completed, related work assignments/responsibilities and timelines/schedules.

V. Financial

A. Pricing Structure

Applicants shall submit a cost proposal utilizing the pricing structure designated by the state purchasing agency. The cost proposal shall be attached to the POS Proposal Application.

1) Pricing Structure Based on Cost Reimbursement

The cost reimbursement pricing structure reflects a purchase arrangement in which the State pays the contractor for budgeted costs that are actually incurred in delivering the services specified in the contract, up to a stated maximum obligation. The cost reimbursement may be subject to verification.

The purchasing agency shall consider cost proposals on a “cost type” or “pure reimbursement” pricing structure from the applicants who are non-profit organizations licensed to do business in the State of Hawaii. “Cost type” involves payment of all incurred costs within a predetermined total estimate cost.

The purchasing agency shall consider cost proposals based on a “cost-plus-fixed-fee” from the applicants who are for-profit organizations licensed to do business in the State of Hawaii. “Cost-plus-fixed-fee” allows for payment of all incurred costs within a predetermined amount plus an agreed upon fee which will not change. The purchasing agency anticipates these fees to be limited to 10% or less of the contract award. These fees also need to be built within the contract ceiling.

The purchasing agency shall select the applicable cost proposals subject to the legal standing of the applicant organization; i.e., non-profit or for-profit and that are in the best interests of the State of Hawaii.

Please note, however, that the department reserves the right to negotiate the finalized amount of fixed fees within the limits discussed above.

The following budget form(s), which are contained in the POS manual, shall be submitted, as describe in the Checklist attached herewith, with the POS Proposal Application:

SPO-H-205 Budget
SPO-H-205B Organization-Wide Budget by Programs
SPO-H-206A Personnel – Salaries & Wages
SPO-H-206B Personnel – Payroll Taxes and Fringe Benefits
SPO-H-206C Travel – Inter-Island
SPO-H-206D Travel – Out-of-State*
SPO-H-206E Contractual Services – Administration
SPO-H-206F Contractual Services – Subcontracts
SPO-H-206G Indirect Costs
SPO-H-206H Other Costs
SPO-H-206I Equipment Purchases*

*Expenditures require justification and prior approval

B. Other Financial Related Materials

1) Accounting System

In order to determine the adequacy of the applicant’s accounting system as described under the administrative rules, the following documents are requested as part of the POS Proposal Application (may be attached):

Most recent Audit Report

2) Tax Clearance Certificate (Form A-6)

An original or certified copy of a current (within 3 months), valid tax clearance certificate issued by the Hawaii State Department of Taxation (DOTAX) and the Internal Revenue Service (IRS) shall be submitted with the proposal by the due date and time. The two-part Tax Clearance Application (Form A-6) that combines DOTAX and IRS tax clearance shall be used for this purpose.

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

Section 4

Proposal Evaluation

Section 4 Proposal Evaluation

I. Introduction

The evaluation of proposals received in response to the RFP will be conducted comprehensively, fairly and impartially. Structural, quantitative scoring techniques will be utilized to maximize the objectivity of the evaluation.

II. Evaluation Process

The procurement officer or an evaluation committee of designated reviewers selected by the head of the state purchasing agency or procurement officer shall review and evaluate proposals. When an evaluation committee is utilized, the committee will be comprised of individuals with experience in, knowledge of, and program responsibility for program service and financing.

The evaluation will be conducted in three phases as follows:

- Phase 1 - Evaluation of Proposal Requirements
- Phase 2 - Evaluation of POS Proposal Application
- Phase 3 - Recommendation for Award

A. Evaluation Categories and Threshold

<u>Evaluation Categories</u>		<u>Possible Points</u>
Mandatory Requirements		Pass or Rejected
<i>POS Proposal Application</i>		100 Points
Background and Summary	10 points	
Experience and Capability	20 points	
Personnel: Project Organization and Staffing	10 points	
Service Delivery	50 points	
Financial	10 Points	
TOTAL POSSIBLE POINTS		100 Points

III. Evaluation Criteria

A. Phase 1 - Evaluation of Proposal Requirements

- (1) ***Administrative Requirements***
- Application Checklist

- Registration (if not pre-registered with the State Procurement Office)

(2) *POS Proposal Application Requirements*

- POS Application Title Page (Form SPO-H-200)
- Table of Contents
- Background and Summary
- Experience and Capability
- Personnel: Project Organization and Staffing
- Service Delivery
- Financial (All required forms and documents)
- Program Specific Requirements (as applicable)

B. Phase 2 - Evaluation of POS Proposal Application (100 Points)

(1) *Background and Summary (10 Points)*

- The applicant has demonstrated a thorough understanding of the purpose and scope of the service activity.
- The goals and objectives are in alignment with the proposed service activity.
- The applicant has described how the proposed service is designed to meet the pertinent issues and problems related to the service activity.

(2) *Experience and Capability (20 Points)*

The State will evaluate the applicant's experience and capability relevant to the proposal contract, which shall include:

- Demonstrated skills, abilities, knowledge of, and experience relating to the delivery of the proposed services. Explain your relevant experiences dealing with State of Hawaii contracts relating to the delivery of the proposed services during the last 5 years.
- Sufficiency of quality assurance and evaluation plans for the proposed services, including methodology.
- Demonstrated capability to coordinate services with other agencies and resources in the community. Explain the extent of the coordination and the results.
- Availability and adequacy of facilities relative to the proposed services.

(3) Personnel: Program Organization and Staffing (10 Points)

The State will evaluate the applicant's overall staffing approach to the service that shall include:

- That the proposed staffing pattern, client/staff ratio, and proposed caseload capacity is reasonable to insure viability of the services.
- Minimum qualifications (including experience) for staff assigned to the program.
- Demonstrated ability to supervise, train and provide administrative direction to staff relative to the delivery of the proposed services.
- Organization Chart (Approach and rationale for the structure, functions, and staffing of the proposed organization for the overall service activity and tasks).

(4) Service Delivery (50 Points)

Evaluation criteria for this section will assess the applicant's approach to the service activities and management requirements outlined in the POS Proposal Application.

- Describes the overall program content and design.
- Demonstrates an understanding of the various service activities and sequence of events.
- Presents evidence of cooperation and collaboration, and willingness to follow DHS requirements, policies and procedures.
- Demonstrates an understanding of the target group.
- Demonstrates knowledge of case documentation and physical case record maintenance. Include any experience with electronic case record maintenance as utilized in computer systems.
- Demonstrates knowledge of handling customer service and complaints.
- Provides for public relations and community collaboration.

- Describes staff/program management activities.
- The evaluation criteria may also include an assessment of the logic of the work plan for the major service activities and tasks to be completed, including clarity in work assignments and responsibilities, and the realism of the timelines and schedules, as applicable.

(5) Financial (10 Points)

Pricing structure based on cost reimbursement:

- Applicant's proposal budget is reasonable, given program resources and operational capacity.
- Adequacy of accounting system.
- Audit report

Tax Clearance Certificate (Form A-6)

An original or certified copy of a current, valid tax clearance certificate issued by the Hawaii State Department of Taxation and the IRS shall be submitted with the proposal.

C. Phase 3 - Recommendation for Award

Each notice of award shall contain a statement of findings and decision for the award or non-award of the contract to each applicant.

Section 5

Attachments

Section 5

Attachments

<u>Attachment</u>	<u>Document</u>
A	Competitive POS Application Checklist
B	POS Proposal Application - Sample Table of Contents

Competitive POS Application Checklist

Applicant: _____

RFP No.: HMS-903-04-10-O _____

The applicant's proposal must contain the following components in the order shown below. This checklist must be signed, dated and returned to the state purchasing agency as part of the POS Proposal Application. *SPO-H Forms are located on the web at <http://www.spo.hawaii.gov> Click on *Procurement of Health and Human Services* and then on *Procurement Forms & Instruction for Private Agencies*.*

Item	Reference in RFP	Format/Instructions Provided	Required by Purchasing Agency	Completed by Applicant
General:				
1. POS Proposal Application Title Page (SPO-H-200)	Section 1, RFP	SPO Website*	X	
2. Competitive POS Application Checklist	Section 1, RFP	Attachment A	X	
3. Table of Contents	Section 5, RFP	Section 5, RFP	X	
4. POS Proposal Application (SPO-H-200A)	Section 3, RFP	SPO Website*	X	
5. Registration Form (SPO-H-100A)	Section 1, RFP	SPO Website*	(Required if not Pre-Registered)	
6. Tax Clearance Certificate (Form A-6)	Section 1, RFP	SPO Website*	X	
7. Cost Proposal (Budget)				
SPO-H-205	Section 3, RFP	SPO Website*	X	
SPO-H-205B	Section 3, RFP	SPO Website*	X	
SPO-H-206A	Section 3, RFP	SPO Website*	X	
SPO-H-206B	Section 3, RFP	SPO Website*	X	
SPO-H-206C	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206D	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206E	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206F	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206G	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206H	Section 3, RFP	SPO Website*	If Applicable	
SPO-H-206I	Section 3, RFP	SPO Website*	If Applicable	
Certifications:				
8. Federal Certifications	Section 1, RFP	Section 5, RFP		
Debarment & Suspension		Section 5, RFP		
Drug Free Workplace Requirements		Section 5, RFP		
Lobbying		Section 5, RFP		
Program Fraud Civil Remedies Act		Section 5, RFP		
Environmental Tobacco Smoke		Section 5, RFP		
Program Specific Requirements:				
9. Audit Report	Section 3, RFP	Section 3, RFP	X	
10. Organizational Chart	Section 3, RFP	Section 3, RFP	X	

Authorized Signature

Date